



OG/45/2023  
30<sup>th</sup> January 2023

**Chief Executive Officers**

All Banks  
Manama  
Kingdom of Bahrain

Dear Sir/Madam,

**Credit Protection Guarantees Provided by Tamkeen**

The Central bank of Bahrain ("CBB") is hereby issuing the following amendments to Capital Adequacy (CA) and Credit Risk Management (CM) Modules under the CBB Rulebook – Volumes 1 and 2 to recognise credit default guarantees provided by Tamkeen in capital adequacy and ECL calculations:

**Volume 1:**

CA-4.5.7A

Credit default guarantee provided by Tamkeen is recognised as an eligible credit risk mitigant.

**Volume 2:**

CA-4.7.14A

Credit default guarantee provided by Tamkeen is recognised as an eligible credit risk mitigant.

**Volume 1 & 2:**

CM-1.8.22A

For the purpose of Section CM 1.8, the portion of the exposure that is explicitly guaranteed by Tamkeen is exempted from the application of the expected credit loss model.

The above requirements are effective immediately and shall be part of the upcoming CBB Rulebook updates.

Should you have any questions in this regard, please contact your supervisory point of contact at the CBB

Yours faithfully,

**Rasheed M. Al-Maraj**  
Governor

cc: Bahrain Association of Banks  
Law Firms  
External Audit Firms